



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

July 6, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#13 JULY 6, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

SET FOR HEARING: JULY 27, 2010 AT 9:30 A.M.

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**APPROVE A RESOLUTION OF INTENTION AND APPROVE THE
INTRODUCTION OF AN ORDINANCE TO GRANT A WATER PIPELINE
FRANCHISE TO LAS FLORES WATER COMPANY
(FIFTH DISTRICT) (3 VOTES)**

SUBJECT

Approval of these recommendations will renew an existing water pipeline franchise granted to Las Flores Water Company, to maintain and operate water pipelines in County highways located in the Altadena unincorporated area.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve a Resolution of Intention to grant a water pipeline franchise to Las Flores Water Company, a California corporation (Las Flores), to renew the existing Las Flores franchise rights.
2. Introduce, waive reading, and place on your Board's agenda an ordinance to grant Las Flores a 15-year water pipeline franchise, setting the matter for public hearing on July 27, 2010, and instructing the Executive Officer of your Board to publish a notice of the public hearing pursuant to California Public Utilities Code Section 6232.
3. Find that this franchise renewal project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT YOUR BOARD:

Adopt an ordinance to grant Las Flores a 15-year water pipeline franchise, becoming operative October 4, 2010, the day after the existing franchise expires.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of these recommendations is for your Board to approve a Resolution of Intention, introduce an ordinance, schedule a public hearing, and publish a notice of the public hearing to adopt an ordinance to renew the Las Flores existing franchise.

Implementation of Strategic Plan Goals

The County Strategic Plan directs that we maximize and support timely delivery of efficient public services (Goal 1), and provide access to delivery of customer-oriented municipal services (Goal 3). Your Board's approval of these recommendations to grant Las Flores a water pipeline franchise is consistent with these goals.

FISCAL IMPACT/FINANCING

Las Flores has paid the County a one-time fee of \$5,000 to process an ordinance to grant the franchise, and will also pay the County an annual franchise fee based upon two percent of the gross annual receipts arising from the use, operation, or possession of the franchise, but not less than one percent of the gross annual receipts from the sale of water within the franchise area. For the 2009 calendar year, Las Flores paid the County an annual franchise fee of \$4,661.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On September 3, 1985, your Board adopted Ordinance No. 85-0144F, granting a 25-year County-wide water pipeline franchise to Las Flores that will expire October 3, 2010. Las Flores is a nonprofit mutual-benefit corporation organized as a mutual water company in 1885 for purpose of selling water to its shareholders at cost. Las Flores purchases water from Foothill Municipal Water District (65 percent) and pumps water from two company-owned wells for storage in three sealed underground reservoirs.

The Las Flores pipeline system installed in County highways in the unincorporated area of Altadena is used to distribute water directly to its 1,473 shareholder-customers under your Boards' jurisdiction. The ordinance to renew the Las Flores franchise reflects the format for mutual water companies in County Highway Code (16.52.200.B).

The Department of Public Works and County Fire Department have reviewed these recommendations and have no objections to the renewal of the Las Flores franchise. County Counsel has reviewed the Resolution of Intention and accompanying ordinance to grant Las Flores a water pipeline franchise and approved them as to form.

The Honorable Board of Supervisors
July 6, 2010
Page 3

Pursuant to Section 6232 of the California Public Utilities Code, the Executive Officer of the Board of Supervisors shall arrange for publishing of a notice of the public hearing in a newspaper of general circulation in the County at least once within 15 days after your Board's adoption of the Resolution of Intention.

ENVIRONMENTAL DOCUMENTATION

This franchise renewal project is categorically exempt under CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended actions will not adversely affect current services or future projects.

CONCLUSION

Instruct the Executive Officer of the Board of Supervisors to send conformed copies of the adopted Board recommendation, Resolution of Intention, and franchise ordinance Attention: Mr. William Kimberling, General Manager, Las Flores Water Company, 428 East Sacramento Street, Altadena, California 91001, and the offices of County Counsel, Department of Public Works, Fire Department, and the Chief Executive Office, Real Estate Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SK:WLD
CM:RB:kb

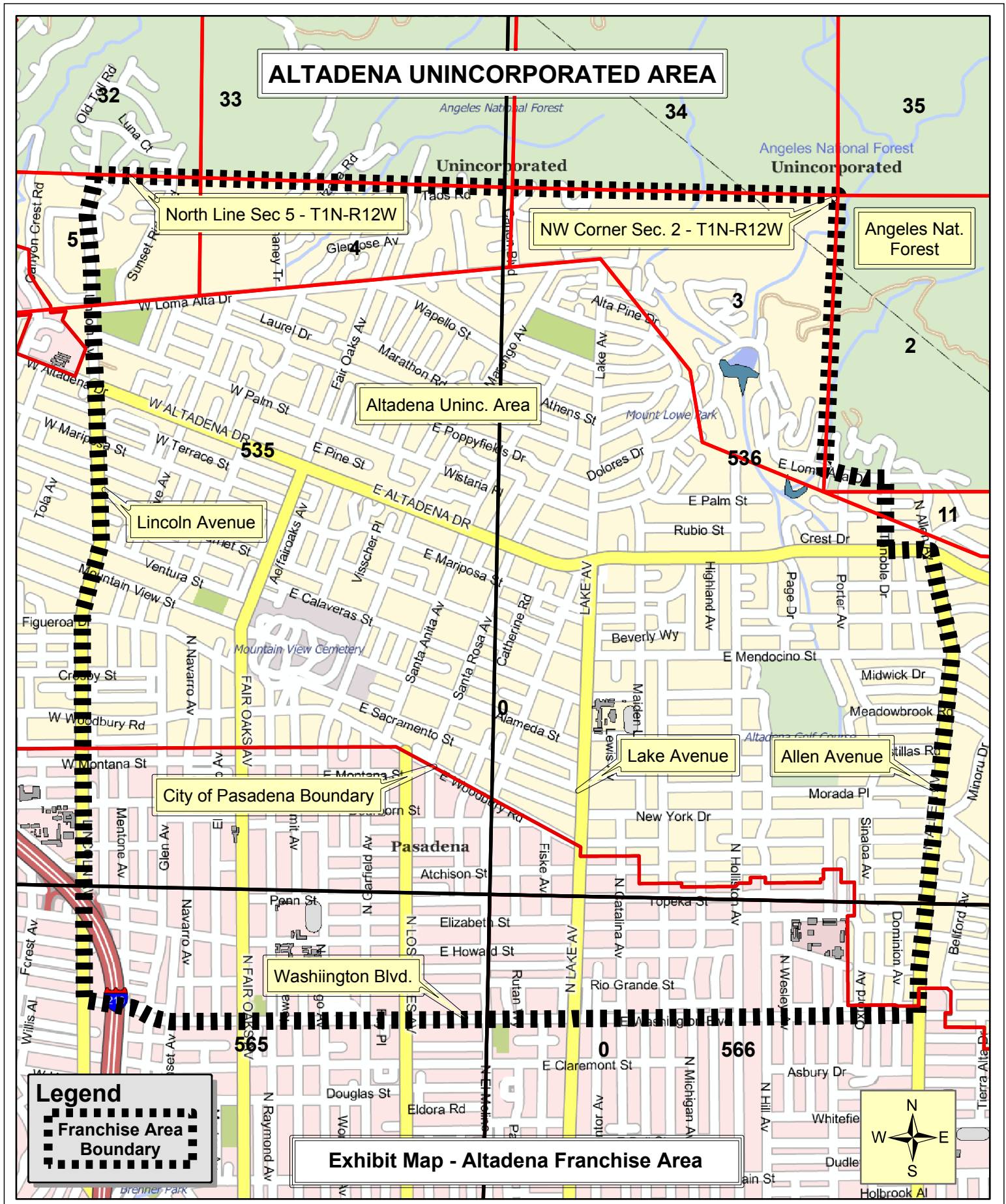
Attachments

c: Executive Office, Board of Supervisors
County Counsel
Department of Public Works
Fire Department

FRANCHISE AREA MAP

Las Flores Water Company

This map illustrates the unincorporated area affected by the franchise and is provided for the convenience of the reader.



<p>Date May 2010</p>	<p>COUNTY OF LOS ANGELES - CHIEF EXECUTIVE OFFICE LAS FLORES WATER COMPANY ALTADENA UNINCORPORATED AREA</p>	<p>Renew Ord. 85-0144F Las Flores Water Co.</p>
<p>Fifth (5th) Supervisory Dist.</p>		<p>Agent R. Ball</p>

RESOLUTION OF INTENTION

To Grant a

Water Pipeline Franchise

To

Las Flores Water Company

**RESOLUTION OF INTENTION TO GRANT A 15-YEAR WATER PIPELINE
FRANCHISE TO LAS FLORES WATER COMPANY**

BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles, State of California:

A. Las Flores Water Company, a California corporation ("Franchisee"), has applied to the Board of Supervisors of the County of Los Angeles, State of California, for a franchise for a period of fifteen (15) years, beginning on October 4, 2010, the operative date of the franchise, to lay, construct, reconstruct, maintain, operate, renew, repair, change the size of, and remove or abandon in place, pipes and pipelines for the transportation and distribution of water, waste water, mud, and other liquid substances, including those substances that are generally accepted as appropriate for the treatment of water, excluding any hazardous substances or hazardous waste within the meaning of the "Comprehensive Environmental Response Compensation and Liability Act of 1980," 42 U.S.C. § 9601 et seq., and amendments thereto (provided, however, that this exclusion shall not apply to substances in such amounts as are generally accepted as appropriate for the treatment of water), together with all manholes, valves, cathodic protection systems, appurtenances, and connections necessary or appropriate for the operation of said pipes or pipelines, adjunct communications lines, including poles, conduits, wire, cables, and other appurtenances and equipment for telegraph or telephone lines, or both, necessary or appropriate solely for the Franchisee's operations in, under, along, or across any and all highways as defined in Section 16.36.080 of the Los Angeles County Code, now or hereafter dedicated to public use within the unincorporated territory of the County of Los Angeles, State of California, located within the franchise area described in the proposed Ordinance to grant the franchise, attached hereto as Exhibit A, and depicted on the exhibit map attached thereto.

B. It is the intention of the Board of Supervisors of the County of Los Angeles, State of California, to grant the franchise applied for upon the terms and conditions herein mentioned. The Franchisee, and its successors and assigns will, during the life of its franchise, pay annually to the County of Los Angeles, State of California, the amount specified in the proposed Ordinance to grant the franchise, from the date of the granting of the franchise, and in the event such payment is not made, the franchise will be forfeited.

C. The franchise is described in the Ordinance attached hereto as Exhibit "A" and is a franchise for water transportation and distribution purposes.

D. That on the 27th day of JULY, 2010, at the hour of 9:30 a.m. of said day, a day not less than twenty (20) nor more than sixty (60) days after the date of the passage of this Resolution of Intention, in the hearing room of the Board of Supervisors, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street (corner of Temple Street and Grand Avenue), Los Angeles, CA 90012, all persons having any objection to the granting of the franchise hereinabove described may appear before the Board of Supervisors and be heard thereon.

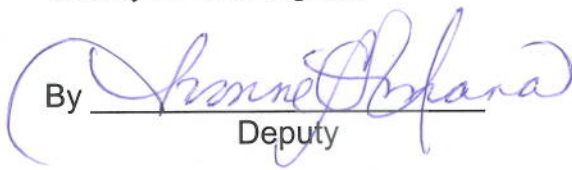
E. The Executive Officer, Board of Supervisors, shall cause notice of said hearing to be published at least once within fifteen (15) days after adoption of this Resolution of Intention in a newspaper of general circulation published in the County of Los Angeles, State of California.

The foregoing resolution was on the 6th day of JULY, 2010, adopted by the Board of Supervisors of the County of Los Angeles, State of California, and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



SACHI A. HAMAI
Executive Officer-Clerk of the
Board of Supervisors of the
County of Los Angeles

By


Deputy

APPROVED AS TO FORM BY:

ANDREA SHERIDAN ORDIN
County Counsel

By


Grace V. Chang
Senior Deputy County Counsel